

January 7, 2003

Refer to: 214-RNN:wfi

**Contractor Company Name
Contractor Address
City, State & Zip Code**

**Subject: JPL CPFF CONTRACT NO. XXXXX
Prime Contract NAS 7-1407
Billing Instructions**

We have requested through our cognizant Defense Contract Audit Agency that arrangements be made for an assist audit of the costs billed by you to the Jet Propulsion Laboratory under the subject contract. It is our understanding that your basic accounting records are kept at the above address, and also that the assist audit will be conducted by your cognizant auditor whose address is:

**Fairfax Branch Office
Bldg 2 3rd Floor
171 Elden St., Suite 315
Herndon, VA 20170**

We request that your billings be processed in accordance with current government procurement procedures and that you submit the original and three complete copies of your COMMERCIAL invoices to the Jet Propulsion Laboratory, Accounting Section. We will place the invoices in line for immediate provisional payment subject to later audit. Upon receipt of the invoice which you designate to be your "Completion Invoice," together with your Cumulative Claim and Reconciliation, we will forward a copy to your cognizant auditor and request a final audit. Amounts withheld in accordance with provisions of the contract will be processed for payment when appropriate closing documents and/or the Audit Closing Statement are received and reviewed.

As assurance that your invoices have been reviewed by a responsible official within your organization, we would appreciate your certifying each invoice as follows:

“I hereby certify that the above bill is correct and just, that payment therefor has not been received, and that the bill is presented with the knowledge that the amount paid hereunder will become the basis of a claim against the United States Government.”

Authorized Signature

All invoices submitted by you under this contract should be COMMERCIAL type invoices. Billings prepared on a Public Voucher SF # 1034 form are not acceptable for payment purposes. The invoices should be numbered in a separate series for proper reference and must contain the following information:

- a) Date of Invoice**
- b) JPL Contract Number**
- c) Billing Period (For Current Charges)**
- d) Direct Labor Hours (Current and Cumulative)**
- e) Detail of Indirect Charges by Pool (Name of pool, Rates, Bases, and Rate Period)**
- f) Total Estimated Cost**
- g) Total Estimated Fee**
- h) Total Contract Value (f + g)**
- i) 85% of Estimated Fee**

Your billings (or backup detail to billings) should reflect elements of cost as separate line items. Charges for special items of cost, such as special tooling, relocation, subcontract costs, overhead adjustments (for current or prior periods), settlement expenses, etc., should also be listed as separate line items. A suggested format for a typical invoice (or backup to a summary invoice) is attached as Exhibit. For example, computer print-outs submitted in support of invoices and containing all essential data are acceptable.

If the contract contains two (2) or more distinct and separable phases or divisions of work, separate details should be submitted for each phase or division of work and then accumulated on a “summary” invoice.

Indirect expense rates must be billed at the rates currently approved by your cognizant auditor unless rates are provided in the contract schedule. A copy of the cognizant auditor's approval document must be submitted with your first invoice. Any subsequent change in indirect expense rates must also be approved by the cognizant auditor.

Each cost invoice should have a column for current costs and a separate column for cumulative costs.

Upon submission, each invoice will be reviewed for adequacy. Any invoice found to be inadequate will be returned for correction and resubmission. If any questions arise with respect to your billings, please do not hesitate to contact the assigned Contract Auditor.

Special Instructions on Fixed-Fee Claims

SEPARATE INVOICES (original and three copies) shall be submitted for fixed-fee claims. The method used to calculate earned fee must be in accordance with terms of the contract (i.e., percentage of work physically completed, man-hours expended, etc.). The calculation should accompany the billing. Fee invoices based on percentage of work completed shall be attested by an authorized representative of the contractor having knowledge of the physical progress of the work.

Unless otherwise approved by the authorized JPL representative, not more than 85% of the total fixed-fee shall be paid prior to completion of all requirements of the subject contract.

Examples of fee invoices prepared in accordance with the above instructions are set forth below:

A. Fee based on percentage of work physically completed:

FEE INVOICE

Fee claimed for period from _____ to _____

1. Total contract fee	\$
2. Percentage completion to date	
3. Earned fee (line 2 times line 1	
4. 85% of allowable fee	\$
5. Less fee billed on prior invoices	_____
6. Fee due this invoice (not to exceed 85% of total fee)	\$_____

(Certification - See Page 2)

**B. Fee based on a ratio of hours expended to total hours
contracted for:**

FEE INVOICE

Fee claimed for period from _____ to _____

- | | | |
|--|----|-------|
| 1. Total fee per contract | \$ | |
| 2. Hours expended _____, total | | % |
| hours contracted for _____ | | |
| 3. Earned fee (line 2 times line 1
but not over 85% of allowable fee) | \$ | |
| 4. Less fee billed on prior invoices | | _____ |
| 5. Fee due this invoice | \$ | ===== |

(Certification - See Page 2)

Terms of the contract may necessitate billing of costs in more detail than normally required. For example, if terms of your contract provide for authorization of work by Contractor Work Order (CWO), a breakdown of billings by CWO number will be necessary. If cost control is by JPL project/task, cost detail by project/task must be furnished with invoices. In each of these examples an allocation of fee billed to CWO level of JPL project/task level would also be necessary and should be furnished with fee billings. Graphic, simplified examples of comprehensive cost and fee invoices and backup schedules based on the above instructions are attached as Exhibit B-1 and B-2. Terms of subject contract will indicate which of the schedules should accompany your invoices.

Questions regarding government-owned tooling, equipment, and material in your possession should be referred to the Supervisor of the Jet Propulsion Laboratory Property Group.

These instructions are intended as an aid rather than as a restriction to a specific billing form. Any format containing the essential information is acceptable. If questions arise with respect to your billing, please do not hesitate to refer them to our office for assistance or clarification.

Supplier Payment Services Supervisor

Attachments (3)